

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Government Name TRI-COUNTY REGIONAL PLANNING COMM	County INGHAM
Audit Date 9/30/05	Opinion Date 11/3/05	Date Accountant Report Submitted to State: 12/15/05	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

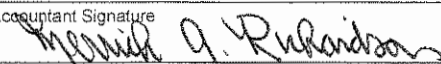
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- | | |
|---|---|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95). |

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	✓		
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).	✓		

Certified Public Accountant (Firm Name) LAYTON & RICHARDSON, P.C.			
Street Address 1000 COOLIDGE ROAD	City EAST LANSING	State MI	ZIP 48823
Accountant Signature 		Date 12/15/05	

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Layton & Richardson, P.C.

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INDEPENDENT AUDITORS' REPORT

Commission Members
Tri-County Regional Planning Commission
Lansing, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tri-County Regional Planning Commission as of and for the year ended September 30, 2005, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of Tri-County Regional Planning Commission. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Tri-County Regional Planning Commission as of September 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2005, on our consideration of Tri-County Regional Planning Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and the budgetary comparison information on pages 3 through 6 and 19 through 20 are not a required part of the basic financial statement but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Tri-County Regional Planning Commission's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of Tri-County Regional Planning Commission. The schedule of expenditures of federal awards has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Layton + Richardson PC
Certified Public Accountants

East Lansing, Michigan
November 3, 2005



Tri-County Regional Planning Commission

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J. William Hawes
Dianne Holman
Alvin Kempf
Harold Leeman, Jr.
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Larry Meyer
Ralph Monsma
David Pohl
Bill Sharp
Marsha Small
Larry Smith
Mark Smuts
Marc Thomas
Carol Wood

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LANSING MAYOR

Tony Benavides

COUNTY BOARD CHAIRPERSONS

John Arehart
Leonard Peters
Mark Grebner

EXECUTIVE DIRECTOR

Jon W. Coleman

TRI-COUNTY REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Tri-County Regional Planning Commission annual financial report presents our discussion and analysis of the Commission's financial performance during the fiscal year ended September 30, 2005. Please read it in conjunction with the financial statements that immediately follow this section.

Financial Highlights

Our financial status improved over the last year. Net Assets increased by approximately \$29,000. In 2004 Net Assets increased approximately \$3,600. Total net assets are now \$293,734 of which \$46,380 represents capital assets. These net assets will be used for operating cash-flow and future capital asset purchases. See tables 1 and 2 below.

Table 1
Statement of Net Assets

	Governmental Activities	
	2005	2004
Current and other assets	\$ 582,349	\$ 696,774
Capital Assets	<u>46,380</u>	<u>49,594</u>
Total Assets	<u>\$ 628,729</u>	<u>\$ 746,368</u>
Total Liabilities	<u>\$ 334,995</u>	<u>\$ 481,440</u>
Net Assets		
Investment in Capital		
Assets	\$ 46,380	\$ 49,594
Unrestricted	<u>247,354</u>	<u>215,334</u>
Total Net Assets	<u>\$ 293,734</u>	<u>\$ 264,928</u>

Table 2
Change in Net Assets

	Governmental Activities	
	2005	2004
Net Assets, October 1	\$ 264,928	\$ 261,286
Results of Operations	23,763	3,642
Prior Period Adjustments	<u>5,043</u>	<u>0</u>
Total Changes in Net Assets	<u>28,806</u>	<u>3,642</u>
Net Assets, September 30	\$ <u>293,734</u>	\$ <u>264,928</u>

Overall revenues were \$ 1,760,349 and overall expenses were \$1,736,586 in the statement of activities. **In 2004 overall revenues and overall expenses in the statements of activities were \$1,079,330 and \$1,075,688 respectively.** These amounts do not include transfers from Commission General Fund to Project Special Revenue Funds used as match when required which were \$125,923 for 2005 and \$102,036 for 2004. See table 3 below.

Table 3
Changes in Net Assets

	Governmental Activities	
	2005	2004
Revenues		
Program Revenues		
Federal, state and local funding	\$ 1,503,022	\$ 853,084
General revenues		
Local Dues	249,975	223,632
Interest	7,049	2,314
Miscellaneous	<u>303</u>	<u>300</u>
Total Revenues	<u>1,760,349</u>	<u>1,079,330</u>
Expenses		
General Administration	120,376	132,992
Projects	<u>1,616,210</u>	<u>942,696</u>
Total Expenses	<u>1,736,586</u>	<u>1,075,688</u>
Increase in Net Assets	23,763	3,642
Prior period adjustment	5,043	
Net Assets – Beginning	<u>264,928</u>	<u>261,286</u>
Net Assets – Ending	\$ <u>293,734</u>	\$ <u>264,928</u>

Overview of the Financial Statements

This annual report consists of three parts - management discussion and analysis, the basic financial statements and required supplementary information. The basic financial statements include two different kinds of statements that present different views of the agency.

The first two statements are agency wide financial statements and provide both long and short-term information about our overall financial status. These statements present government activities.

The remaining statements are fund financial statements, which focus on the detail of each of the agency's fund accounts. The notes to the financial statements explain some of the information in the statements and provide more detailed explanation.

Required supplementary information further explains and supports the financial statement information with budgetary comparisons.

Agency Wide Statements

The agency wide statements report information about the Commission as a whole, using accounting methods and terms normally used by private companies. The statements of net assets includes all the Commission's assets and liabilities. The statement of activities records all of the current year revenues and expenses regardless of when received or paid.

The two agency wide statements report net assets and how they have changed. Net assets are the difference between the Commission's assets and liabilities which is one method to measure the Commission's financial health or position.

Over time, increases or decreases in the Commission's net assets are an indicator of whether the agency's financial position is improving or deteriorating.

Fund Financial Statements

The fund financial statements provide more detailed information about the Commission's funds. Funds are established to account for funding and spending of specific financial resources and to show proper expenditures of those resources.

The agency has the following Governmental funds:

General Revenue Fund - The Commission's activities are accounted for in the general fund, classified in the governmental fund category.

Special Revenue Fund - The Project activities are accounted for in a special revenue fund.

These funds are presented on the modified accrual basis, which is designed to show short-term financial information. You will note that differences between the agency wide statements and the fund statements are disclosed in the reconciling financial statements to explain the differences between them.

Financial Analysis of the Agency as a Whole

Net Assets - The Commission's net assets increased during the year ended September 30, 2005 by \$28,806. Total unrestricted net assets were \$253,541 at year end. The unrestricted net assets will be used for operating cash-flow and future capital asset purchases.

Liabilities - The Commission's liabilities decreased by \$146,444. This was due to a decrease in deferred revenue. There was an increase in current accounts payable that offset some of the decrease in deferred revenue.

Financial Analysis of the Commission's Fund

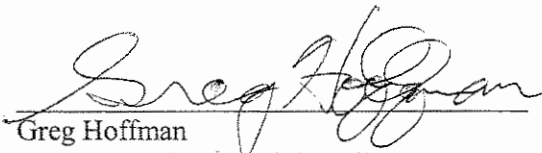
Amendments to our budget for the year ended September 30, 2005 were to add a project and to cover changes in certain operational expenditures.

Contacting Commission Management

This financial report is designed to provide a general overview of the Commission's finances and to demonstrate the Commission's accountability for the revenue it receives. If you have any questions concerning this report, please contact the Commission's office.



Jon W. Coleman
Executive Director



Greg Hoffman
Finance and Personnel Coordinator

TRI-COUNTY REGIONAL PLANNING COMMISSION

STATEMENT OF NET ASSETS

SEPTEMBER 30, 2005

GOVERNMENTAL
ACTIVITIES

ASSETS

Cash and cash equivalents	\$ 222,256
Investments	39,667
Due from other governmental units	314,518
Prepaid expenses	5,908
Fixed assets (net of accumulated depreciation)	<u>46,380</u>
TOTAL ASSETS	<u>\$ 628,729</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	
Trade	\$ 150,194
Retainers	13,364
Accrued wages and related items	49,837
Deferred revenue	<u>121,600</u>
TOTAL LIABILITIES	<u>334,995</u>

NET ASSETS

Invested in capital assets, net of related debt	46,380
Unrestricted	<u>247,354</u>
TOTAL NET ASSETS	<u>293,734</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 628,729</u>

See accompanying notes to financial statements.

TRI-COUNTY REGIONAL PLANNING COMMISSION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2005

	DIRECT EXPENSES	INDIRECT EXPENSES	CHARGES FOR SERVICES
FUNCTIONS/ PROGRAMS			
Governmental activities			
General commission	\$ 120,376	\$	\$
Project expenses	<u>1,244,967</u>	<u>371,243</u>	<u></u>
Total governmental activities	<u>\$ 1,365,343</u>	<u>\$ 371,243</u>	<u>\$</u>
General Revenues			
Miscellaneous			
Grants and contributions not restricted to specific programs			
Unrestricted investment earnings			
Total General Revenues and Transfers			
Change in Net Assets			
Net assets, October 1			
Prior period adjustment			
Net assets, September 30			

See accompanying notes to financial statements.

NET (EXPENSE) REVENUE AND
CHANGES IN NET ASSETS

PROGRAM REVENUES		PRIMARY GOVERNMENT		
OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
\$	\$	\$	\$	\$
1,503,022		(120,376)		(120,376)
		(113,188)		(113,188)
\$ 1,503,022	\$	(233,564)		(233,564)
		303		303
		249,975		249,975
		7,049		7,049
		257,327		257,327
		23,763		23,763
		264,928		264,928
		5,043		5,043
		\$ 293,734	\$	\$ 293,734

TRI-COUNTY REGIONAL PLANNING COMMISSION

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2005

		SPECIAL REVENUE FUND - PROJECTS
	GENERAL	INDIRECT COST
ASSETS		
Cash and cash equivalents	\$ 222,256	\$
Investments	39,667	
Due from other governmental units	4,586	
Due from projects	188,332	
Prepaid expenses	5,908	
TOTAL ASSETS	\$ 460,749	\$
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable		
Trade	\$ 150,194	\$
Retainers	13,364	
Accrued wages and related items	49,837	
Due to Commission		
Deferred revenue		
TOTAL LIABILITIES	213,395	
FUND BALANCE		
Undesignated	247,354	
TOTAL LIABILITIES AND FUND BALANCE	\$ 460,749	\$

See accompanying notes to financial statements.

SPECIAL REVENUE FUND - PROJECTS		ELIMINATIONS	TOTAL GOVERNMENTAL FUNDS
DIRECT COSTS	TOTAL SPECIAL REVENUE		
\$	\$	\$	\$
309,932	309,932		222,256
		(188,332)	39,667
			314,518
			5,908
<u>\$ 309,932</u>	<u>\$ 309,932</u>	<u>\$ (188,332)</u>	<u>\$ 582,349</u>
\$	\$	\$	\$
188,332	188,332	(188,332)	150,194
121,600	121,600		13,364
			49,837
<u>309,932</u>	<u>309,932</u>	<u>(188,332)</u>	<u>121,600</u>
			334,995
			247,354
<u>\$ 309,932</u>	<u>\$ 309,932</u>	<u>\$ (188,332)</u>	<u>\$ 582,349</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2005

Total fund balances-governmental funds	\$ 247,354
Amounts reported for governmental activities in the statement of net assets are different because	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$182,790 and the accumulated depreciation is \$136,410	<u>46,380</u>
Total net assets-governmental activities	<u>\$ 293,734</u>

See accompanying notes to financial statements.

TRI-COUNTY REGIONAL PLANNING COMMISSION
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	GENERAL FUND	SPECIAL REVENUE FUND - PROJECTS INDIRECT COST
REVENUES		
Federal sources	\$	\$
State sources		
Local sources		
Member allocations	249,975	
Other sources	303	
Fixed asset reimbursements	17,815	
Interest	7,049	
TOTAL REVENUES	<u>275,142</u>	
EXPENDITURES		
Salaries and wages	37,534	177,281
Fringe benefits	18,058	85,294
Legal	1,090	963
Staff recognition	250	
Telephone	1	2,373
Postage	850	1,760
Printing and copying	752	1,303
Office supplies	190	6,821
Graphic supplies		1,107
Travel-in region	514	2,834
Travel-out region	483	1,413
Training		1,028
Commission meetings and travel	2,957	
Rent of facility		
Rent of office		49,105
Equipment maintenance		2,689
Computer services		2,880
Computer software		5,422
Insurance		5,860
Bank charges	75	
Subscriptions		440
Publications		28
Advertising		544
Depreciation		17,815
Membership dues		4,283
Special projects		
Consultant fee		
Contractual services	11,369	
Furniture and equipment	14,601	
Audit	7,400	
Transfer for match		
Pass through		
Indirect costs	<u>38,853</u>	<u>(371,243)</u>
TOTAL EXPENDITURES	<u>134,977</u>	

See accompanying notes to financial statements.

SPECIAL REVENUE FUND - PROJECTS			
DIRECT COSTS	TOTAL SPECIAL REVENUE	ELIMINATIONS	TOTAL GOVERNMENTAL FUNDS
\$ 566,551	\$ 566,551	\$	\$ 566,551
68,643	68,643		68,643
796,269	796,269		796,269
71,559	71,559		321,534
			303
		(17,815)	7,049
<u>1,503,022</u>	<u>1,503,022</u>	<u>(17,815)</u>	<u>1,760,349</u>
311,097	488,378		525,912
151,113	236,407		254,465
	963		2,053
			250
690	3,063		3,064
6,648	8,408		9,258
31,675	32,978		33,730
431	7,252		7,442
	1,107		1,107
4,539	7,373		7,887
13,107	14,520		15,003
2,925	3,953		3,953
			2,957
327	327		327
	49,105		49,105
	2,689		2,689
82	2,962		2,962
5,943	11,365		11,365
	5,860		5,860
			75
25	465		465
270	298		298
4,530	5,074		5,074
	17,815	(17,815)	
3,501	7,784		7,784
24,638	24,638		24,638
133,639	133,639		133,639
10,342	10,342		21,711
			14,601
			7,400
12,735	12,735	(12,735)	
578,298	578,298		578,298
332,390	(38,853)		
<u>1,628,945</u>	<u>1,628,945</u>	<u>(30,550)</u>	<u>1,733,372</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - Concluded
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2005

	GENERAL FUND	SPECIAL REVENUE FUND - <u>PROJECTS</u> INDIRECT PROJECT COST
OTHER FINANCING SOURCES (USES)		
Operating transfers in (out)		
Transfer for match	\$ 12,735	\$
Local match	<u>(125,923)</u>	<u> </u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(113,188)</u>	<u> </u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	26,977	
FUND BALANCE, OCTOBER 1	215,334	
PRIOR PERIOD ADJUSTMENT	<u>5,043</u>	<u> </u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 247,354</u>	<u>\$</u>

See accompanying notes to financial statements.

SPECIAL
REVENUE FUND -
PROJECTS

DIRECT PROJECT COSTS	TOTAL SPECIAL REVENUE	ELIMINATIONS	TOTAL GOVERNMENTAL FUNDS
\$ <u>125,923</u>	\$ <u>125,923</u>	\$ (12,735) <u> </u>	\$ <u> </u>
<u>125,923</u>	<u>125,923</u>	<u>(12,735)</u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	26,977
\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	215,334
			<u>5,043</u>
			\$ <u>247,354</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2005

Net changes in fund balances-total governmental funds	\$ 26,977
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures	
however, in the statement of activities, the cost of those assets	
is depreciated over their estimated useful lives	
Expenditures for capital assets	14,601
Less current year depreciation	<u>(17,815)</u>
Change in net assets of governmental activities	\$ <u><u>23,763</u></u>

See accompanying notes to financial statements.

TRI-COUNTY REGIONAL PLANNING COMMISSION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES				
Federal sources	\$ 576,394	\$ 577,001	\$ 566,551	\$ (10,450)
State sources	123,867	123,867	68,643	(55,224)
Local sources	367,500	725,842	796,269	70,427
Member allocations	321,534	321,534	321,534	
Other sources	10,000	10,000	303	(9,697)
Fixed asset reimbursements	15,000	15,000	17,815	2,815
Interest			7,049	7,049
TOTAL REVENUES	<u>1,414,295</u>	<u>1,773,244</u>	<u>1,778,164</u>	<u>4,920</u>
OTHER FINANCING SOURCES				
Operating transfers in				
Local match	138,908	138,908	125,923	(12,985)
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>1,553,203</u>	<u>1,912,152</u>	<u>1,904,087</u>	<u>(8,065)</u>
EXPENDITURES				
Salaries and wages	551,397	550,730	525,912	24,818
Fringe benefits	275,498	275,165	254,465	20,700
Staff recognition	250	250	250	
Legal	5,000	5,000	2,053	2,947
Telephone	4,100	4,100	3,064	1,036
Postage	12,260	12,260	9,258	3,002
Printing and copying	34,060	36,360	33,730	2,630
Office supplies	8,450	8,450	7,442	1,008
Graphic supplies	1,800	1,800	1,107	693
Travel-in region	8,215	8,215	7,887	328
Travel-out region	17,000	17,947	15,003	2,944
Training	5,000	4,500	3,953	547
Commission meetings and travel	3,500	3,500	2,957	543
Rent of facility	1,100	600	327	273
Rent of office	50,500	49,600	49,105	495
Rent of equipment	1,300	1,100		1,100
Equipment maintenance	3,000	3,300	2,689	611
Computer services	5,400	4,400	2,962	1,438
Computer software	11,200	12,200	11,365	835
Insurance	6,600	5,860	5,860	
Bank charges	250	250	75	175
Subscriptions	1,700	1,700	465	1,235
Publications	800	800	298	502
Advertising	5,000	6,000	5,074	926
Depreciation	19,000	19,000	17,815	1,185
Membership dues	8,425	8,425	7,784	641
Special projects	10,000	35,000	24,638	10,362

See accompanying notes to financial statements.

TRI-COUNTY REGIONAL PLANNING COMMISSION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS - BUDGET AND ACTUAL - Concluded
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
EXPENDITURES - Concluded				
Consultant fee	\$ 166,500	\$ 166,500	\$ 133,639	\$ 32,861
Contractual services	31,125	31,125	21,711	9,414
Furniture and equipment	15,000	15,000	14,601	399
Audit	7,400	7,400	7,400	
Pass-through	187,500	520,842	578,298	(57,456)
TOTAL EXPENDITURES	<u>1,458,330</u>	<u>1,817,379</u>	<u>1,751,187</u>	<u>66,192</u>
OTHER FINANCING USES				
Operating transfers out				
Local match	<u>138,908</u>	<u>138,908</u>	<u>125,923</u>	<u>12,985</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>1,597,238</u>	<u>1,956,287</u>	<u>1,877,110</u>	<u>79,177</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(44,035)	(44,135)	26,977	71,112
FUND BALANCE, OCTOBER 1	215,334	215,334	215,334	
PRIOR PERIOD ADJUSTMENT			5,043	5,043
FUND BALANCE, SEPTEMBER 30	<u>\$ 171,299</u>	<u>\$ 171,199</u>	<u>\$ 247,354</u>	<u>\$ 76,155</u>

See accompanying notes to financial statements.

TRI-COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2005

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Tri-County Regional Planning Commission is a governmental component unit established on July 18, 1956 under the authority of Act 281 of Michigan Public Acts of 1945. The Commission is a voluntary organization joining Clinton, Eaton and Ingham Counties and the City of Lansing to foster a cooperative effort in identifying and resolving various community planning issues in the Tri-County area. Primary financing is provided through various agreements with state and federal agencies and local appropriations.

A. Reporting Entity

All funds and account groups (primary government) under direct control of Tri-County Regional Planning Commission are included in this report. These funds and account groups are those which meet the criteria established by the Governmental Accounting Standards Board (GASB) No. 14. Component units, also required under GASB 14, are legally separate organizations for which the elected officials of the primary government are financially accountable. As of September 30, 2005, the Commission has no component units.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government of Tri-County Planning Commission. For the most part, the effect of interfund activities has been removed from these statements. Governmental activities, which are normally supported by intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees and charges for services. As of September 30, 2005, the Commission has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds and major individual enterprise funds are reported as separate columns in the fund financial statements. As of September 30, 2005 Tri-County Planning Commission has no proprietary, enterprise or fiduciary funds.

C. Measurement Focus, Basis of Accounting, and Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are reported when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

TRI-COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS - Continued

SEPTEMBER 30, 2005

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Concluded

C. Measurement Focus, Basis of Accounting, and Financial Statements – Concluded

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when a liability is incurred, as under accrual accounting.

Intergovernmental revenues, franchise fees, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by Tri-County Regional Planning Commission.

Tri-County Regional Planning Commission reports the following major governmental funds:

The General Fund is the Commission's primary operating fund. It accounts for all financial resources of the general government not directly attributed to a specific project, which are accounted for in another fund.

The Projects Fund accounts for resources and costs, including an allocation of indirect costs, attributed to contractually administered projects. The Projects Fund is a special revenue fund.

The Commission has no non-major governmental funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business-type activities and enterprise funds, subject to this same limitation. Tri-County Regional Planning Commission has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) intergovernmental revenues 2) operating grants and contributions, and 3) capital grants and contributions.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from provided services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. As of September 30, 2005, the Commission has no proprietary, enterprise or internal service funds.

TRI-COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS - Continued

SEPTEMBER 30, 2005

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Concluded

D. Budgets and Budgetary Accounting

The overall budget is based upon individual projects and Planning Commission General Fund budgets. Budgeted amounts are as originally adopted, and may be amended by the Commission. Individual budget amendments were not material in relation to the originally approved amounts. Budgets lapse at the end of the fiscal year.

E. Accounts Receivable

Accounts receivable are recorded at their net realizable value. The Commission does not require collateral.

F. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by Tri-County Regional Planning Commission as assets with an initial, individual cost of \$100 or more and an estimated useful life in excess of one year.

All capital assets are valued at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are recorded at estimated fair market value on the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Each year, a provision for depreciation is charged to the projects as a means of reimbursing the General Fund for asset acquisition; such reimbursements are included in other sources of revenue in the General Fund. The assets are depreciated using the straight-line method over lives of three to ten years.

G. Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions that affect the reporting of certain assets, liabilities, revenues, and expenditures. Actual results may differ from estimated amounts.

H. Deposits and Investments

All highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are defined as cash equivalents. All investments are reported at fair value.

I. Advertising

The Commission expenses advertising cost as incurred.

J. Accumulated Unpaid Vacation

Accumulated unpaid vacation benefit obligations are accrued when incurred, as such obligations are expected to be paid within the ensuing year.

TRI-COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS - Continued

SEPTEMBER 30, 2005

NOTE 2: CASH AND INVESTMENTS

State statutes authorize the Commission to invest in obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper within the three highest rate classifications by at least two rating services, repurchase agreements collateralized by U.S. Government securities, bankers acceptances and mutual funds composed of investments which are legal for direct investment by local units of government in Michigan.

As of September 30, 2005, the carrying amount and bank balance for each type of deposit and investment account is as follows:

ACCOUNT TYPE	BOOK BALANCE	BANK BALANCE	FDIC INSURED
Petty Cash	\$ 150	\$	\$
Demand Deposits	222,106	274,973	261,647
Certificates of Deposit	39,667	39,786	38,353

The Commission's investments (including those presented as cash) are categorized as follows to give an indication of the level of risk assumed by the Commission. Category 1 includes deposits and investments that are insured or registered or for which the securities are held by the Commission or its agent in the Commission's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the brokers' or dealers' trust department or agent in the Commission's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Commission's name.

At September 30, 2005, the Commission's investments were classified as follows:

Insured	\$ <u>38,353</u>
Uninsured and uncollateralized	\$ <u>1,433</u>

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Commission does not have a deposit policy for custodial credit risk. As of September 30, 2005, \$1,433 of the Commission's bank balance of \$314,759 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ <u>1,433</u>
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TRI-COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS - Continued

SEPTEMBER 30, 2005

NOTE 3: DUE TO/DUE FROM OTHER GOVERNMENTAL UNITS

Due from other governmental units and others represents the excess of amounts earned under a project contract over payments received.

PROJECT	DUE FROM
Federal	
FHWA - 82697	\$ 29,692
FHWA PL-77382	152,733
EDA 06-83-04931	
FTA PL-77351	39,070
Michigan Department of Transportation	
Regional Transportation	6,168
Asset Management	4,939
Hazard Mitigation	2,467
Wellhead Protection	22,689
City of Lansing	4,467
Mid-Michigan Water Authority	1,701
Aerial Photography	42,835
RED Team	7,637
City of East Lansing	<u>120</u>
	<u>\$ 314,518</u>

NOTE 4: INTERFUND RECEIVABLES/PAYABLES

Amounts due from/to other funds are a result of cash and accrued liability accounts being recorded in the General Fund. At September 30, 2005 project costs exceeded project receipts resulting in a balance of \$188,332 due from the Project Fund to the General Fund.

NOTE 5: CHANGES IN CAPITAL ASSETS

A summary of changes in governmental capital assets is as follows:

	OCTOBER 1, 2004	ADDITIONS	DELETIONS	SEPTEMBER 30, 2005
Capital assets being depreciated				
Furniture and equipment	\$ 182,346	\$ 14,601	\$ (14,157)	\$ 182,790
Less: accumulated depreciation				
Furniture and equipment	<u>132,752</u>	<u>17,815</u>	<u>(14,157)</u>	<u>136,410</u>
NET CAPITAL ASSETS	<u>\$ 49,594</u>	<u>\$ (3,214)</u>	<u>\$ _____</u>	<u>\$ 46,380</u>

Depreciation for the governmental activities was charged to the following functions and activities:

GOVERNMENTAL ACTIVITY

Projects	
Indirect cost	<u>\$ 17,815</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS - Continued

SEPTEMBER 30, 2005

NOTE 6: INTERFUND TRANSFERS

The following are transfers, by fund, for the year ending September 30, 2005:

GOVERNMENTAL FUND	TRANSFERS IN	GOVERNMENTAL FUND	TRANSFERS OUT
General Fund	\$ 17,815	Projects	\$ 17,815
Projects	125,923	General Fund	125,923
General Fund	<u>12,735</u>	Projects	<u>12,735</u>
TOTAL	\$ <u>156,473</u>	TOTAL	\$ <u>156,473</u>

NOTE 7: DEFERRED REVENUE

Amounts received under contractual agreements are deferred as revenue until such time as qualifying expenditures are made.

Projects	
Groundwater Management	\$ 43,951
Non-Point Pollution	69,098
EDA	4,885
Aquifer Study	<u>3,666</u>
	\$ <u>121,600</u>

NOTE 8: DEFINED CONTRIBUTION PLAN

Tri-County Regional Planning Commission sponsors a defined contribution plan called the Tri-County Regional Planning Commission Employee Money Purchase Plan. The plan covers all permanent employees who have attained the age of twenty-one and have one full year of service with the Commission.

The employer is required to contribute 9.0% of all covered payroll. Required contributions to the plan were \$44,611; covered payroll was \$495,679 and total payroll was \$526,489 during the fiscal year. Contribution to the plan during the fiscal year was \$44,611.

The vesting of the employee benefits are as follows:

YEARS IN PLAN	VESTING PERCENTAGE
1	0%
2	20
3	40
4	60
5	80
6	100

TRI-COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS - Concluded

SEPTEMBER 30, 2005

NOTE 9: CONTINGENCIES

Grants and reimbursements are subject to audit by the payers. Upon audit, expenditures may be disallowed as not chargeable to the program and, in such event, would be refundable to the payer. Refunds, if any, generally would be payable from Tri-County Regional Planning Commission's undesignated funds.

NOTE 10: ECONOMIC DEPENDENCY

The Commission receives substantially all of its support from federal, state and local governments. A significant reduction in the level of this support, if this were to occur, could have an effect on the Commission's activities.

NOTE 11: LEASE

The Commission leases office space based on an annual contract. The lease term is December 28, 1998 through November 30, 2005. Rental expense for the year was \$49,105. Future minimum payments at September 30, 2005 are:

YEAR ENDING	AMOUNT
November 30, 2005	\$ <u>8,218</u>

NOTE 12: EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

P.A. 621 of 1978, section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

During the year ended September 30, 2005, Tri-County Regional Planning Commission incurred the following expenditures in certain budgetary funds that were in excess of the amounts appropriated as reported in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds – Budget and Actual:

	BUDGET	ACTUAL	EXCESS OF AMOUNT APPROPRIATED
PROJECT FUND			
Pass-through	\$ <u>520,842</u>	\$ <u>578,298</u>	\$ (<u>57,456</u>)

NOTE 13: PRIOR PERIOD ADJUSTMENT

For the year ended September 30, 2005, the following prior period adjustments have been recorded:

Special Revenue Funds – Projects	
Various revenue corrections	\$ 378
Various expenditure corrections	<u>4,665</u>
	\$ <u>5,043</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
 COMBINING SCHEDULE OF PROJECT REVENUES
 FOR THE YEAR ENDED SEPTEMBER 30, 2005

	HAZARD MITIGATION (301)	WELLHEAD PROTECTION (302)	NON-POINT POLLUTION COMMITTEE (303)	GROUND WATER MANAGEMENT (304)
REVENUES				
Federal sources	\$ 32,182	\$	\$	\$
State sources				
Local sources		34,997	325,422	72,522
TOTAL REVENUES	<u>32,182</u>	<u>34,997</u>	<u>325,422</u>	<u>72,522</u>
OTHER FINANCING SOURCES				
Operating transfers in				
Local match				
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 32,182</u>	<u>\$ 34,997</u>	<u>\$ 325,422</u>	<u>\$ 72,522</u>

AQUIFER STUDY (306)	MID- MICHIGAN WATER AUTHORITY 2004 (307)	MID- MICHIGAN WATER AUTHORITY 2005 (309)	AERIAL PHOTOGRAPHY (311)	EDA ADMIN. EXPENSE GRANT 05-06 (314)	EDA ADMIN. EXPENSE GRANT 04-05 (315)
\$	\$	\$	\$	\$ 21,429	\$ 25,900
<u>73,000</u>	<u>1,046</u>	<u>1,610</u>	<u>229,376</u>	<u> </u>	<u> </u>
<u>73,000</u>	<u>1,046</u>	<u>1,610</u>	<u>229,376</u>	<u>21,429</u>	<u>25,900</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>7,143</u>	<u>8,634</u>
\$ <u><u>73,000</u></u>	\$ <u><u>1,046</u></u>	\$ <u><u>1,610</u></u>	\$ <u><u>229,376</u></u>	\$ <u><u>28,572</u></u>	\$ <u><u>34,534</u></u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
COMBINING SCHEDULE OF PROJECT REVENUES - Concluded
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	TCSP (322)	AIR QUALITY CONFORMITY (326)	RED TEAM FUNDS (345)	STP (328)
REVENUES				
Federal sources	\$ 607	\$	\$	\$ 90,249
State sources				
Local sources		71,559	58,296	
TOTAL REVENUES	<u>607</u>	<u>71,559</u>	<u>58,296</u>	<u>90,249</u>
OTHER FINANCING SOURCES				
Operating transfers in				
Local match				20,012
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ <u>607</u>	\$ <u>71,559</u>	\$ <u>58,296</u>	\$ <u>110,261</u>

MDOT GRANT ASSET MANAGEMENT (323)	MDOT/ FHWA PL FUNDS (431)	FTA GRANT PL-77351 SECTION 5303 FUNDS (432)	REGIONAL TRANSPORTATION CONTRACT (433)	TOTAL
\$ 28,543	\$ 315,595	\$ 80,589	\$ 40,100	\$ 566,551
<u>28,543</u>	<u>315,595</u>	<u>80,589</u>	<u>40,100</u>	<u>867,828</u>
				<u>1,503,022</u>
	69,987	20,147		125,923
\$ <u><u>28,543</u></u>	\$ <u><u>385,582</u></u>	\$ <u><u>100,736</u></u>	\$ <u><u>40,100</u></u>	\$ <u><u>1,628,945</u></u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
COMBINING SCHEDULE OF PROJECT EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	HAZARD MITIGATION (301)	WELLHEAD PROTECTION (302)	NON-POINT POLLUTION COMMITTEE (303)	GROUND WATER MANAGEMENT (304)
EXPENDITURES				
Direct costs				
Salaries and wages	\$ 7,781	\$ 14,480	\$ 17,051	\$ 20,522
Fringe benefits	3,743	6,966	8,204	9,874
Telephone				31
Postage	18	5	288	621
Printing and copying	5,456	116	306	273
Office supplies	53		13	180
Travel-in region	248	48	876	401
Travel-out region				2,504
Training				
Rent of facility				
Computer services			82	
Computer software				
Subscriptions				
Publications				
Advertising	496			
Membership dues				130
Special projects			11,389	9,991
Consultant fee				
Contractual services	3,370		360	6,612
Transfer for match				
Pass-through			270,248	
Indirect costs	<u>11,017</u>	<u>13,382</u>	<u>16,605</u>	<u>21,383</u>
TOTAL EXPENDITURES	\$ <u><u>32,182</u></u>	\$ <u><u>34,997</u></u>	\$ <u><u>325,422</u></u>	\$ <u><u>72,522</u></u>

AQUIFER STUDY (306)	MID- MICHIGAN WATER AUTHORITY 2004 (307)	MID- MICHIGAN WATER AUTHORITY 2005 (309)	AERIAL PHOTOGRAPHY (311)	EDA ADMIN. EXPENSE GRANT 05-06 (314)	EDA ADMIN. EXPENSE GRANT 04-05 (315)
\$	\$ 394 189	\$ 665 320	\$	\$ 11,070 5,326 17 18 5 61	\$ 14,054 6,762 51 102 16 21 98
	31 26	3 12			
				1,150	225
73,000	406	610	229,376	10,925	13,205
\$ <u>73,000</u>	\$ <u>1,046</u>	\$ <u>1,610</u>	\$ <u>229,376</u>	\$ <u>28,572</u>	\$ <u>34,534</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
COMBINING SCHEDULE OF PROJECT EXPENDITURES - Concluded
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	TCSP (322)	AIR QUALITY CONFORMITY (326)	RED TEAM FUNDS (345)	STP (328)
EXPENDITURES				
Direct costs				
Salaries and wages	\$	\$ 26,642	\$ 22,468	\$
Fringe benefits		14,253	10,810	
Telephone				
Postage			176	
Printing and copying			391	
Office supplies			10	
Travel-in region			137	
Travel-out region	375	1,800		
Training		1,500		
Rent of facility				
Computer services				
Computer software				
Subscriptions				
Publications				
Advertising				
Membership dues				
Special projects			3,258	
Consultant fee				110,261
Contractual services				
Transfer for match				
Pass-through				
Indirect costs	<u>232</u>	<u>27,364</u>	<u>21,046</u>	
TOTAL EXPENDITURES	<u>\$ 607</u>	<u>\$ 71,559</u>	<u>\$ 58,296</u>	<u>\$ 110,261</u>

MDOT GRANT ASSET MANAGEMENT (323)	MDOT/ FHWA PL FUNDS (431)	FTA GRANT PL-77351 SECTION 5303 FUNDS (432)	REGIONAL TRANSPORTATION CONTRACTS (433)	TOTAL
\$ 8,225	\$ 121,593	\$ 35,154	\$ 10,998	\$ 311,097
3,957	58,502	16,916	5,291	151,113
	483	108		690
	4,402	984		6,648
255	19,780	4,833	206	31,675
	126	28		431
1,140	1,245	278	7	4,539
220	6,706	1,502		13,107
	1,165	260		2,925
327				327
				82
	4,531	1,013	399	5,943
	20	5		25
	221	49		270
	3,297	737		4,530
	1,631	365		3,501
				24,638
	23,378			133,639
				10,342
			12,735	12,735
5,674				578,298
8,745	138,502	38,504	10,464	332,390
<u>\$ 28,543</u>	<u>\$ 385,582</u>	<u>\$ 100,736</u>	<u>\$ 40,100</u>	<u>\$ 1,628,945</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
HAZARD MITIGATION
PROJECT PERIOD MAY 1, 2003 THROUGH SEPTEMBER 30, 2005

HAZARD MITIGATION (301)	OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005	MAY 1, 2003 THROUGH SEPTEMBER 30, 2004	MAY 1, 2003 THROUGH SEPTEMBER 30, 2005
REVENUES			
Federal			
Cash received	\$ 29,715	\$ 77,920	\$ 107,635
Accounts receivable - current year	<u>2,467</u>	<u></u>	<u>2,467</u>
TOTAL REVENUES	\$ <u>32,182</u>	\$ <u>77,920</u>	\$ <u>110,102</u>
EXPENDITURES			
Direct costs			
Salaries and wages	\$ 7,781	\$ 22,478	\$ 30,259
Fringe benefits	3,743	3,590	7,333
Postage	18	112	130
Printing and copying	5,456	267	5,723
Office supplies	53	206	259
Travel in-region	248	1,338	1,586
Travel out-region		549	549
Rent of facility		132	132
Rent of equipment		1,250	1,250
Computer software		3,595	3,595
Advertising	496		496
Consultant fee		3,500	3,500
Contractual services	3,370	9,832	13,202
Furniture/equipment purchase		8,997	8,997
Indirect costs	<u>11,017</u>	<u>22,074</u>	<u>33,091</u>
TOTAL EXPENDITURES	\$ <u>32,182</u>	\$ <u>77,920</u>	\$ <u>110,102</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
WELLHEAD PROTECTION
PROJECT PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

VARIOUS MUNICIPALITIES - Cash (302)

REVENUES

Local	
Cash received	\$ 12,308
Accounts receivable	<u>22,689</u>
TOTAL REVENUES	<u>\$ 34,997</u>

EXPENDITURES

Direct costs	
Salaries and wages	\$ 14,480
Fringe benefits	6,966
Postage	5
Printing and copying	116
Travel-in region	48
Indirect costs	<u>13,382</u>
TOTAL EXPENDITURES	<u>\$ 34,997</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
NON-POINT POLLUTION COMMITTEE 2005
PROJECT PERIOD OCTOBER 1, 2000 THROUGH SEPTEMBER 30, 2005

	OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005	OCTOBER 1, 2000 THROUGH SEPTEMBER 30, 2004	OCTOBER 1, 2000 THROUGH SEPTEMBER 30, 2005
VARIOUS MUNICIPALITIES - Cash (303)			
REVENUES			
Local			
Cash received	\$ 132,756	\$ 215,043	\$ 347,799
Deferred revenue - prior year	261,764		261,764
Deferred revenue - current year	(69,098)		(69,098)
TOTAL REVENUES	<u>\$ 325,422</u>	<u>\$ 215,043</u>	<u>\$ 540,465</u>
EXPENDITURES			
Direct costs			
Salaries and wages	\$ 17,051	\$ 4,141	\$ 21,192
Fringe benefits	8,204	1,866	10,070
Postage	288	18	306
Printing and copying	306	100	406
Office supplies	13	37	50
Travel-in region	876	287	1,163
Computer services	82	157	239
Special projects	11,389		11,389
Contractual services	360	800	1,160
Pass-through	270,248	203,306	473,554
Indirect costs	16,605	4,331	20,936
TOTAL EXPENDITURES	<u>\$ 325,422</u>	<u>\$ 215,043</u>	<u>\$ 540,465</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
GROUNDWATER MANAGEMENT 2005
PROJECT PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

VARIOUS MUNICIPALITIES - Cash (304)

REVENUES

Local

Cash received	\$ 115,009
Deferred revenue - prior year	1,464
Deferred revenue - current year	<u>(43,951)</u>
TOTAL REVENUES	<u>\$ 72,522</u>

EXPENDITURES

Direct costs

Salaries and wages	\$ 20,522
Fringe benefits	9,874
Telephone	31
Postage	621
Printing and copying	273
Office supplies	180
Travel-in region	401
Travel-out region	2,504
Membership dues	130
Special projects	9,991
Contractual services	6,612
Indirect costs	<u>21,383</u>

TOTAL EXPENDITURES	<u>\$ 72,522</u>
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TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
AQUIFER STUDY
PROJECT PERIOD MARCH 1, 2004 THROUGH SEPTEMBER 30, 2007

	OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005	MARCH 1, 2004 THROUGH SEPTEMBER 30, 2004	MARCH 1, 2004 THROUGH SEPTEMBER 30, 2005
VARIOUS MUNICIPALITIES (306)			
REVENUES			
Local			
Cash received	\$ 49,633	\$ 37,000	\$ 86,633
Deferred revenue - prior	27,033		27,033
Deferred revenue - current	(3,666)		(3,666)
TOTAL REVENUES	<u>\$ 73,000</u>	<u>\$ 37,000</u>	<u>\$ 110,000</u>
EXPENDITURES			
Direct costs			
Pass-through	<u>\$ 73,000</u>	<u>\$ 37,000</u>	<u>\$ 110,000</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
MID-MICHIGAN WATER AUTHORITY 2004
PROJECT PERIOD JANUARY 1, 2004 THROUGH DECEMBER 31, 2004

	OCTOBER 1, 2004 THROUGH DECEMBER 31, 2004	JANUARY 1, 2004 THROUGH SEPTEMBER 30, 2004	JANUARY 1, 2004 THROUGH DECEMBER 31, 2004
MID-MICHIGAN WATER AUTHORITY (307)			
REVENUES			
Local			
Cash received	\$ 955	\$ 1,092	\$ 2,047
Receivables - current year	91		91
TOTAL REVENUES	<u>\$ 1,046</u>	<u>\$ 1,092</u>	<u>\$ 2,138</u>
EXPENDITURES			
Direct costs			
Salaries and wages	\$ 394	\$ 369	\$ 763
Fringe benefits	189	170	359
Postage	31	92	123
Printing and copying	26	22	48
Indirect costs	<u>406</u>	<u>439</u>	<u>845</u>
TOTAL EXPENDITURES	<u>\$ 1,046</u>	<u>\$ 1,092</u>	<u>\$ 2,138</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
MID-MICHIGAN WATER AUTHORITY 2005
PROJECT PERIOD JANUARY 1, 2005 THROUGH DECEMBER 31, 2005

VARIOUS MUNICIPALITIES - CASH (309)

REVENUES

Local

Receivables - current year	\$ <u>1,610</u>
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EXPENDITURES

Direct costs

Salaries and wages	\$ 665
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Fringe benefits	320
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Postage	3
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Printing and copying	12
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Indirect costs	<u>610</u>
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TOTAL EXPENDITURES	\$ <u>1,610</u>
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TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
AERIAL PHOTOGRAPHY
PROJECT PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2006

VARIOUS MUNICIPALITIES - CASH (311)

REVENUES

Local

Cash received

\$ 186,541

Receivables - current year

42,835

TOTAL REVENUES

\$ 229,376

EXPENDITURES

Direct costs

Pass-through

\$ 229,376

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
EDA ADMINISTRATION EXPENSE GRANT 2005 - 2006
PROJECT PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006

EDA GRANT NO 06-83-05028 (314)
 EDA - \$60,891 - Cash
 TCRPC - \$20,297 - Cash

REVENUES

Federal grant	
Cash received	\$ 26,314
Deferred revenue - current	<u>(4,885)</u>
TOTAL REVENUES	<u>21,429</u>

OTHER FINANCING SOURCES

Operating transfers in	
Local match	<u>7,143</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 28,572</u>

EXPENDITURES

Direct costs	
Salaries and wages	\$ 11,070
Fringe benefits	5,326
Telephone	17
Postage	18
Printing and copying	5
Travel-in region	61
Membership dues	1,150
Indirect costs	<u>10,925</u>
TOTAL EXPENDITURES	<u>\$ 28,572</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
EDA ADMINISTRATIVE EXPENSE GRANT 2004 - 2005
PROJECT PERIOD JULY 1, 2004 THROUGH JUNE 30, 2005

EDA GRANT NO. 06-83-04931 (315)	OCTOBER 1,	JULY 1,	JULY 1,
EDA - \$52,628 - Cash	2004	2004	2004
TCRPC - \$17,543 - Cash	THROUGH	THROUGH	THROUGH
	JUNE 30,	SEPTEMBER 30,	JUNE 30,
	2005	2004	2005
REVENUES			
Federal grant			
Cash received	\$ 25,900	\$ 26,728	\$ 52,628
OTHER FINANCING SOURCES			
Operating transfers in			
Local match	8,634	8,909	17,543
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 34,534	\$ 35,637	\$ 70,171
EXPENDITURES			
Direct costs			
Salaries and wages	14,054	\$ 13,844	\$ 27,898
Fringe benefits	6,762	6,400	13,162
Telephone	51	7	58
Postage	102	149	251
Printing and copying	16	251	267
Office supplies	21		21
Travel in-region	98	60	158
Travel out-region		589	589
Membership dues	225		225
Indirect costs	13,205	14,337	27,542
TOTAL EXPENDITURES	\$ 34,534	\$ 35,637	\$ 70,171

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
TCSP

PROJECT PERIOD OCTOBER 1, 2000 THROUGH SEPTEMBER 30, 2005

	OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005	OCTOBER 1, 2000 THROUGH SEPTEMBER 30, 2004	OCTOBER 1, 2000 THROUGH SEPTEMBER 30, 2005
TCSP/FHWA PROJECT NO 50961 (322)			
FHWA-TCSP - \$355,000 - Cash			
REVENUES			
Federal grant			
Cash received	\$ <u>607</u>	\$ <u>354,169</u>	\$ <u>354,776</u>
EXPENDITURES			
Direct costs			
Travel out-region	\$ 375	\$ 354,169	\$ 375
Consultant fee			354,169
Indirect costs	<u>232</u>	<u>232</u>	<u>232</u>
TOTAL EXPENDITURES	\$ <u>607</u>	\$ <u>354,169</u>	\$ <u>354,776</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
AIR QUALITY CONFORMITY
PROJECT PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

VARIOUS MUNICIPALITIES - CASH (326)

REVENUES

Local

Cash received

\$ 71,559

EXPENDITURES

Direct costs

Salaries and wages

\$ 26,642

Fringe benefits

14,253

Travel-out region

1,800

Training

1,500

Indirect costs

27,364

TOTAL EXPENDITURES

\$ 71,559

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
REGIONAL ECONOMIC DEVELOPMENT TEAM
PROJECT PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

RED TEAM (345)

REVENUES

RED Team

Cash received	\$ 50,659
Receivables - current year	<u>7,637</u>
TOTAL REVENUES	<u>\$ 58,296</u>

EXPENDITURES

Direct costs

Salaries and wages	\$ 22,468
Fringe benefits	10,810
Postage	176
Printing and copying	391
Office supplies	10
Travel - in region	137
Special projects	3,258
Indirect costs	<u>21,046</u>

TOTAL EXPENDITURES	<u>\$ 58,296</u>
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TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
STP

PROJECT PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

FHWA PROJECT NO 82697 (328)
FHWA-STP - \$105,200 - Cash
TCRPC - \$26,300 Cash

REVENUES

Federal

Cash received	\$ 60,557
Receivables - current year	<u>29,692</u>

TOTAL REVENUES	<u>90,249</u>
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OTHER FINANCING SOURCES

Operating transfers in

Local match	<u>20,012</u>
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TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 110,261</u>
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EXPENDITURES

Direct costs

Consultant fee	<u>\$ 110,261</u>
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TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
MDOT GRANT - ASSET MANAGEMENT
PROJECT PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

MDOT GRANT CASH (323)
MDOT - \$33,747 - Cash

REVENUES

State of Michigan	
Cash received	\$ 23,604
Receivables - current year	<u>4,939</u>
TOTAL REVENUES	<u><u>\$ 28,543</u></u>

EXPENDITURES

Direct costs	
Salaries and wages	\$ 8,225
Fringe benefits	3,957
Printing and copying	255
Travel-in region	1,140
Travel-out region	220
Rent of facility	327
Pass-through	5,674
Indirect costs	<u>8,745</u>
TOTAL EXPENDITURES	<u><u>\$ 28,543</u></u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
MDOT/FHWA PL FUNDS
PROJECT PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

MDOT/FHWA PROJECT NO. PL-77382 (431)
 MDOT/FHWA - \$338,215 - Cash
 TCRPC - \$74,998 - Cash

REVENUES

Federal grant	
Cash received	\$ 162,862
Receivables - current year	<u>152,733</u>
TOTAL REVENUES	<u>315,595</u>

OTHER FINANCING SOURCES

Operating transfers in	
Local match	<u>69,987</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u><u>\$ 385,582</u></u>

EXPENDITURES

Direct costs	
Salaries and wages	\$ 121,593
Fringe benefits	58,502
Telephone	483
Postage	4,402
Printing and copying	19,780
Office supplies	126
Travel-in region	1,245
Travel-out region	6,706
Training	1,165
Computer software	4,531
Subscriptions	20
Publications	221
Advertising	3,297
Membership dues	1,631
Consultant fees	23,378
Indirect costs	<u>138,502</u>
TOTAL EXPENDITURES	<u><u>\$ 385,582</u></u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
FEDERAL TRANSIT ADMINISTRATION
SECTION 5303 FUNDS
PROJECT PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

FTA GRANT NO. PL-77351 (432)
 FTA - \$80,594
 TCRPC - \$20,147

REVENUES

Federal grant	
Cash	\$ 41,519
Receivables - current year	<u>39,070</u>
TOTAL REVENUES	<u>80,589</u>

OTHER FINANCING SOURCES

Operating transfers in	
Local match	<u>20,147</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 100,736</u>

EXPENDITURES

Direct costs	
Salaries and wages	\$ 35,154
Fringe benefits	16,916
Telephone	108
Postage	984
Printing and copying	4,833
Office supplies	28
Travel-in region	278
Travel-out region	1,502
Training	260
Computer software	1,013
Subscriptions	5
Publications	49
Advertising	737
Membership dues	365
Indirect costs	<u>38,504</u>
TOTAL EXPENDITURES	<u>\$ 100,736</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES
REGIONAL TRANSPORTATION CONTRACT
PROJECT PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

MDOT GRANT NO. 2003-0022Z4 (433)

MDOT - \$40,100 - Cash

REVENUES

State of Michigan	
Cash received	\$ 33,932
Receivables - current year	<u>6,168</u>
TOTAL REVENUES	<u>\$ 40,100</u>

EXPENDITURES

Direct costs	
Salaries and wages	\$ 10,998
Fringe benefits	5,291
Printing and copying	206
Travel-in region	7
Computer software	399
Transfers for match	12,735
Indirect costs	<u>10,464</u>
TOTAL EXPENDITURES	<u>\$ 40,100</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
ANALYSIS OF COMPLETED PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	HAZARD MITIGATION (301)	WELLHEAD PROTECTION (302)	NON-POINT POLLUTION COMMITTEE 2005 (303)	GROUNDWATER MANAGEMENT 2005 (304)
Total expenditures	\$ 110,102	\$ 34,997	\$ 540,465	\$ 72,522
Less: locally funded expenditures	<u> </u>	<u>34,997</u>	<u>540,465</u>	<u>72,522</u>
Allowable expenditures	110,102			
Grantor participation	<u>100.00%</u>	<u> </u>	<u> </u>	<u> </u>
Grant revenues	110,102			
Grant receipts	<u>107,635</u>	<u> </u>	<u> </u>	<u> </u>
Due from Grantor	\$ <u><u>2,467</u></u>	\$ <u><u> </u></u>	\$ <u><u> </u></u>	\$ <u><u> </u></u>

MID-MICHIGAN WATER AUTHORITY 2004 (307)	EDA ADMIN. EXPENSE GRANT 04-05 (315)	TCSP (322)	AIR QUALITY CONFORMITY (326)	REGIONAL ECONOMIC DEVELOPMENT TEAM (345)	STP (328)
\$ 2,138	\$ 70,171	\$ 354,776	\$ 71,559	\$ 58,296	\$ 110,261
<u>2,138</u>	<u>17,543</u>	<u> </u>	<u>71,559</u>	<u>58,296</u>	<u>20,012</u>
	52,628	354,776			90,249
<u> </u>	<u>75.00%</u>	<u>100.00%</u>	<u> </u>	<u> </u>	<u>81.85%</u>
	52,628	354,776			90,249
<u> </u>	<u>52,628</u>	<u>354,776</u>	<u> </u>	<u> </u>	<u>60,557</u>
\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u>29,692</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
ANALYSIS OF COMPLETED PROJECTS - Concluded
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	MDOT GRANT ASSET MANAGEMENT (323)	MDOT/FHWA PL FUNDS (431)	FTA SECTION 5303 FUNDS (432)	REGIONAL TRANSPORTATION CONTRACT (433)
Total expenditures	\$ 28,543	\$ 385,582	\$ 100,736	\$ 40,100
Less: locally funded expenditures	<u> </u>	<u>69,987</u>	<u>20,147</u>	<u> </u>
Allowable expenditures	28,543	315,595	80,589	40,100
Grantor participation	<u> </u>	<u>81.85%</u>	<u>80.00%</u>	<u>100.00%</u>
Grant revenues	28,543	315,595	80,589	40,100
Grant receipts	<u>23,604</u>	<u>162,862</u>	<u>41,519</u>	<u>33,932</u>
Due from Grantor	\$ <u><u>4,939</u></u>	\$ <u><u>152,733</u></u>	\$ <u><u>39,070</u></u>	\$ <u><u>6,168</u></u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
ANALYSIS OF LOCAL MATCH AND INDIRECT CHARGES
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	<u>LOCAL MATCH</u>		<u>TOTAL</u>
	<u>COMMISSION</u>	<u>PROJECTS</u>	
FHWA PL Funds	\$ 69,987	\$	\$ 69,987
Federal Transportation Administration	20,147		20,147
EDA Planning Grant 04/05	8,634		8,634
EDA Planning Grant 05/06	7,143		7,143
STP	20,012		20,012
MDOT - State Trunkline		12,735	12,735
	<u>\$ 125,923</u>	<u>\$ 12,735</u>	<u>\$ 138,658</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION

ANALYSIS OF INDIRECT COST RATE

FOR THE YEAR ENDED SEPTEMBER 30, 2005

	INDIRECT BASE	INDIRECT COSTS
Total expenditures	\$	\$ 1,877,110
Direct expenditures	1,505,850	(1,505,850)
Less:		
Special projects	(24,638)	
Furniture and equipment	(14,601)	
Consultant	(133,639)	
Contractual services	(21,711)	
Match	(125,924)	
Audit	(7,400)	
Pass-through	(578,298)	
	\$ <u>599,639</u>	\$ <u>371,260</u>

Indirect cost rate (indirect costs as a
percent of indirect base)

61.9139%

Indirect costs are allocated to all projects equally. Allocated indirect costs in excess of amounts that can be funded by a contract or grant are absorbed by the Commission through indirect credits. The indirect cost rate percentage is applied only against allowable direct costs in each project.

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF FRINGE BENEFITS
FOR THE YEAR ENDED SEPTEMBER 30, 2005

Social Security	\$ 40,238
Unemployment taxes	69
Pension costs	44,611
Health insurance	143,121
Dental insurance	8,144
Group life insurance	9,761
Concern - employee assistance plan	328
Workers' compensation	2,055
Pension administration	2,785
Fringe benefits miscellaneous	1,918
Total fringe benefits	<u>\$ 253,030</u>
Salaries and wages for the year ended September 30, 2005	<u>\$ 525,912</u>
Fringe benefit rate - All employees	<u>48.1126%</u>
Fringe benefit rate - Full-time employees	48.1126%
Fringe benefit rate - Part-time employees	N/A

TRI-COUNTY REGIONAL PLANNING COMMISSION
TRANSPORTATION SUMMARY OF EXPENDITURES
REGIONAL TRANSPORTATION
MDOT PL-73440, FTA 77351 AND MDOT 2003-0022Z4
FOR THE PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

TASK #	TASK NAME	MDOT/ FHWA BUDGET	MDOT/ FHWA EXPENDED	VARIANCE FAVORABLE (UNFAVORABLE)
I	Database management	\$ 120,617	\$ 91,326	\$ 29,291
II	Long-range planning	129,067	118,603	10,464
III	Short-range planning	7,235	3,597	3,638
IV	Program management and coordination	107,791	114,626	(6,835)
V	Transportation programming activities	48,427	57,432	(9,005)
VI	Other related activities			
	GRAND TOTALS	<u>\$ 413,137</u>	<u>\$ 385,584</u>	<u>\$ 27,553</u>

FTA SECTION 5303 BUDGET	FTA SECTION 5303 EXPENDED	VARIANCE FAVORABLE (UNFAVORABLE)	MDOT BUDGET	MDOT EXPENDED	VARIANCE FAVORABLE (UNFAVORABLE)
\$ 23,689	\$ 23,194	\$ 495	\$ 12,338	\$ 10,848	\$ 1,490
28,295	24,193	4,102	14,425	15,895	(1,470)
1,499	787	712			
24,094	25,628	(1,534)	10,735	10,735	
10,827	12,734	(1,907)	1,601	1,710	(109)
<u>12,332</u>	<u>14,200</u>	<u>(1,868)</u>	<u>1,001</u>	<u>911</u>	<u>90</u>
<u>\$ 100,736</u>	<u>\$ 100,736</u>	<u>\$</u>	<u>\$ 40,100</u>	<u>\$ 40,099</u>	<u>\$ 1</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION
TRANSPORTATION SUMMARY OF EXPENDITURES - Concluded
REGIONAL TRANSPORTATION
MDOT PL-73440, FTA 77351 AND MDOT 2003-0022Z4
FOR THE PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005

TASK #	TASK NAME	ASSET MANAGEMENT BUDGET	ASSET MANAGEMENT EXPENDED	VARIANCE FAVORABLE (UNFAVORABLE)
I	Database management	\$ 33,747	\$ 28,543	\$ 5,204
II	Long-range planning			
III	Short-range planning			
IV	Program management and coordination			
V	Transportation programming activities			
VI	Other related activities			
	GRAND TOTALS	<u>\$ 33,747</u>	<u>\$ 28,543</u>	<u>\$ 5,204</u>

STP BUDGET	STP EXPENDED	VARIANCE FAVORABLE (UNFAVORABLE)	TOTAL BUDGET	TOTAL EXPENDED	VARIANCE FAVORABLE (UNFAVORABLE)
\$ 131,500	\$ 110,261	\$ 21,239	\$ 321,891	\$ 264,172	\$ 57,719
			171,787	158,691	13,096
			8,734	4,384	4,350
			142,620	150,989	(8,369)
			60,855	71,876	(11,021)
			13,333	15,111	(1,778)
<u>\$ 131,500</u>	<u>\$ 110,261</u>	<u>\$ 21,239</u>	<u>\$ 719,220</u>	<u>\$ 665,223</u>	<u>\$ 53,997</u>



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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Commission Members
Tri-County Regional Planning Commission
Lansing, Michigan

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tri-County Regional Planning Commission, as of and for the year ended September 30, 2005, which collectively comprise Tri-County Regional Planning Commission's basic financial statements and have issued our report thereon dated November 3, 2005. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Tri-County Regional Planning Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tri-County Regional Planning Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

However, we noted certain matters that we reported to management of Tri-County Regional Planning Commission, in a separate letter dated November 3, 2005.

This report is intended solely for the information and use of the Board of Commissioners, management, others within the Commission, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

East Lansing, Michigan
November 3, 2005

Layton & Richardson PC
Certified Public Accountants



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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Commission Members
Tri-County Regional Planning Commission
Lansing, Michigan

Compliance

We have audited the compliance of Tri-County Regional Planning Commission with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement that are applicable to its major federal program for the year ended September 30, 2005. Tri-County Regional Planning Commission's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of Tri-County Regional Planning Commission's management. Our responsibility is to express an opinion on Tri-County Regional Planning Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining on a test basis, evidence about Tri-County Regional Planning Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Tri-County Regional Planning Commission's compliance with those requirements.

In our opinion, Tri-County Regional Planning Commission complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2005.

Internal Control Over Compliance

The management of Tri-County Regional Planning Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Commissioners, management, others within the Commission, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Layton + Richardson PC
Certified Public Accountants

East Lansing, Michigan
November 3, 2005

TRI-COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE OF FEDERAL FINANCIAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2005

FEDERAL GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS- THROUGH GRANTOR'S NUMBER
Department of Commerce		
EDA		
Support for Planning Programs	11.302	06-83-05028
	11.302	06-83-04931
Federal Highway Administration		
FHWA		
Passed through		
Michigan Department		
of Transportation	20.205	77382
FTA Section 5303		
FTA		
Passed through		
Michigan Department		
of Transportation	20.205	77351
TCSP		
FHWA		
Passed through		
Michigan Department		
of Transportation	20.205	50961
FHWA		
STP		
Passed through		
Michigan Department		
of Transportation	20.205	82697
FEMA		
Hazard Mitigation Grant		
Passed through		
Michigan Department		
of State Police and		
Ingham County	83.548	A1346.802.10

GRANT		AWARD AMOUNT	CURRENT YEAR EXPENDITURES	CUMMULATIVE EXPENDITURES
FROM	TO			
7/1/2005	6/30/2006	\$ 60,891	\$ 21,429	\$ 21,429
7/1/2004	6/30/2005	52,628	25,900	52,628
10/1/2004	9/30/2005	338,215	315,595	315,595
10/1/2004	9/30/2005	80,594	80,589	80,589
7/2/1999	9/30/2005	355,000	607	354,776
2/1/2005	9/30/2005	105,200	90,249	90,249
5/1/2003	9/30/2005	116,339	<u>32,182</u>	<u>110,102</u>
			\$ <u>566,551</u>	\$ <u>1,025,368</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2005

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Tri-County Regional Planning Commission.
2. No reportable conditions relating to the audit of the financial statements are reported.
3. No instances of noncompliance material to the financial statements of Tri-County Regional Planning Commission were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported.
5. The auditor's report on compliance for the major federal award programs for Tri-County Regional Planning Commission expresses an unqualified opinion.
6. There are no audit findings relative to the major federal award programs for Tri-County Regional Planning Commission.
7. The program tested as a major program was: Federal Highway Administration Grant, CFDA No. 20.505.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The Tri-County Regional Planning Commission was determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.



Planning for People
Since 1956

Tri-County Regional Planning Commission

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VICE-CHAIRPERSON

Susan McGillicuddy

TREASURER

Larry Martin

SECRETARY

Phil Chisholm

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J. William Hawes
Dianne Holman
Alvin Kempf
Harold Leeman, Jr.
Fred Marquardt
Larry Meyer
Ralph Monsma
David Pohl
Bill Sharp
Marsha Small
Larry Smith
Mark Smuts
Marc Thomas
Carol Wood

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Mark Grebner

EXECUTIVE DIRECTOR

Jon W. Coleman

TRI-COUNTY REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Tri-County Regional Planning Commission annual financial report presents our discussion and analysis of the Commission's financial performance during the fiscal year ended September 30, 2005. Please read it in conjunction with the financial statements that immediately follow this section.

Financial Highlights

Our financial status improved over the last year. Net Assets increased by approximately \$29,000. **In 2004 Net Assets increased approximately \$3,600.** Total net assets are now \$293,734 of which \$46,380 represents capital assets. These net assets will be used for operating cash-flow and future capital asset purchases. See tables 1 and 2 below.

Table 1
Statement of Net Assets

	Governmental Activities	
	2005	2004
Current and other assets	\$ 582,349	\$ 696,774
Capital Assets	<u>46,380</u>	<u>49,594</u>
Total Assets	<u>\$ 628,729</u>	<u>\$ 746,368</u>
Total Liabilities	<u>\$ 334,995</u>	<u>\$ 481,440</u>
Net Assets		
Investment in Capital		
Assets	\$ 46,380	\$ 49,594
Unrestricted	<u>247,354</u>	<u>215,334</u>
Total Net Assets	<u>\$ 293,734</u>	<u>\$ 264,928</u>

Table 2
Change in Net Assets

	Governmental Activities	
	2005	2004
Net Assets, October 1	\$ 264,928	\$ 261,286
Results of Operations	23,763	3,642
Prior Period Adjustments	<u>5,043</u>	<u>0</u>
Total Changes in Net Assets	<u>28,806</u>	<u>3,642</u>
Net Assets, September 30	\$ <u>293,734</u>	\$ <u>264,928</u>

Overall revenues were \$ 1,760,349 and overall expenses were \$1,736,586 in the statement of activities. **In 2004 overall revenues and overall expenses in the statements of activities were \$1,079,330 and \$1,075,688 respectively.** These amounts do not include transfers from Commission General Fund to Project Special Revenue Funds used as match when required which were \$125,923 for 2005 and \$102,036 for 2004. See table 3 below.

Table 3
Changes in Net Assets

	Governmental Activities	
	2005	2004
Revenues		
Program Revenues		
Federal, state and local funding	\$ 1,503,022	\$ 853,084
General revenues		
Local Dues	249,975	223,632
Interest	7,049	2,314
Miscellaneous	<u>303</u>	<u>300</u>
Total Revenues	<u>1,760,349</u>	<u>1,079,330</u>
Expenses		
General Administration	120,376	132,992
Projects	<u>1,616,210</u>	<u>942,696</u>
Total Expenses	<u>1,736,586</u>	<u>1,075,688</u>
Increase in Net Assets	23,763	3,642
Prior period adjustment	5,043	
Net Assets – Beginning	<u>264,928</u>	<u>261,286</u>
Net Assets – Ending	\$ <u>293,734</u>	\$ <u>264,928</u>

Overview of the Financial Statements

This annual report consists of three parts - management discussion and analysis, the basic financial statements and required supplementary information. The basic financial statements include two different kinds of statements that present different views of the agency.

The first two statements are agency wide financial statements and provide both long and short-term information about our overall financial status. These statements present government activities.

The remaining statements are fund financial statements, which focus on the detail of each of the agency's fund accounts. The notes to the financial statements explain some of the information in the statements and provide more detailed explanation.

Required supplementary information further explains and supports the financial statement information with budgetary comparisons.

Agency Wide Statements

The agency wide statements report information about the Commission as a whole, using accounting methods and terms normally used by private companies. The statements of net assets includes all the Commission's assets and liabilities. The statement of activities records all of the current year revenues and expenses regardless of when received or paid.

The two agency wide statements report net assets and how they have changed. Net assets are the difference between the Commission's assets and liabilities which is one method to measure the Commission's financial health or position.

Over time, increases or decreases in the Commission's net assets are an indicator of whether the agency's financial position is improving or deteriorating.

Fund Financial Statements

The fund financial statements provide more detailed information about the Commission's funds. Funds are established to account for funding and spending of specific financial resources and to show proper expenditures of those resources.

The agency has the following Governmental funds:

General Revenue Fund - The Commission's activities are accounted for in the general fund, classified in the governmental fund category.

Special Revenue Fund - The Project activities are accounted for in a special revenue fund.

These funds are presented on the modified accrual basis, which is designed to show short-term financial information. You will note that differences between the agency wide statements and the fund statements are disclosed in the reconciling financial statements to explain the differences between them.

Financial Analysis of the Agency as a Whole

Net Assets - The Commission's net assets increased during the year ended September 30, 2005 by \$28,806. Total unrestricted net assets were \$253,541 at year end. The unrestricted net assets will be used for operating cash-flow and future capital asset purchases.

Liabilities - The Commission's liabilities decreased by \$146,444. This was due to a decrease in deferred revenue. There was an increase in current accounts payable that offset some of the decrease in deferred revenue.

Financial Analysis of the Commission's Fund

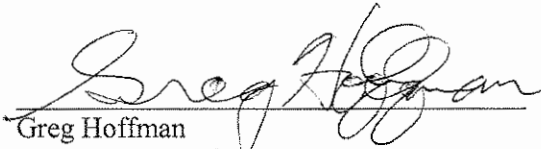
Amendments to our budget for the year ended September 30, 2005 were to add a project and to cover changes in certain operational expenditures.

Contacting Commission Management

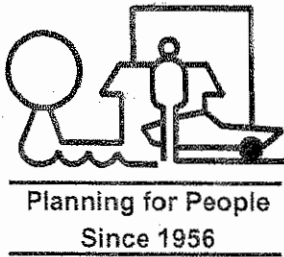
This financial report is designed to provide a general overview of the Commission's finances and to demonstrate the Commission's accountability for the revenue it receives. If you have any questions concerning this report, please contact the Commission's office.



Jon W. Coleman
Executive Director



Greg Hoffman
Finance and Personnel Coordinator



Tri-County Regional Planning Commission

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TRI-COUNTY REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Tri-County Regional Planning Commission annual financial report presents our discussion and analysis of the Commission's financial performance during the fiscal year ended September 30, 2005. Please read it in conjunction with the financial statements that immediately follow this section.

Financial Highlights

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Overview of the Financial Statements

This annual report consists of three parts - management discussion and analysis, the basic financial statements and required supplementary information. The basic financial statements include two different kinds of statements that present different views of the agency.



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LETTER OF COMMENTS AND RECOMMENDATIONS

Commission Members
Tri-County Regional Planning
Commission
Lansing, Michigan

We have audited the financial statements of TRI-COUNTY REGIONAL PLANNING COMMISSION for the year ended September 30, 2005, and have issued our report thereon dated November 3, 2005. As part of our audit, we made a study and evaluation of the system of internal accounting control of Tri-County Regional Planning Commission to the extent we considered necessary to evaluate the system as required by U.S. generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the Commission's financial statements.

The management of Tri-County Regional Planning Commission is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles. Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation, made for the limited purpose described in the first paragraph, would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of Tri-County Regional Planning Commission. We noted the following recommendations that could improve the Commission's internal controls.

PRIOR YEAR RECOMMENDATIONS

Not all invoices were cancelled after payment. We recommend all invoices be stamped "paid" with the date and check number. This will increase controls over cash disbursements and prevent double payment of invoices. **Management response: This has been implemented.**

Cash Receipts

1. The Executive Secretary performs several cash receipt functions, such as delivering deposits to the bank, opening the bank statement and reconciling the bank statement to the accounting records. We recommend the Finance Director receive, open and review the monthly bank statements before they are submitted to the Executive Secretary for reconciling. Additionally, we recommend that the Executive Director open and review the bank statement two times annually. This would strengthen internal controls over cash receipts. **Management response: This has not been implemented.**
2. The Finance Director reviews the bank reconciliation completed by the Executive Secretary. As needed, the Finance Director may assist the Executive Secretary in the reconciliation. The Finance Director does not document his approval of the bank reconciliation. We recommend the Finance Director initial and date the bank reconciliation to indicate his approval. This additional documentation will strengthen the internal controls over cash receipts and disbursements. **Management response: This has been implemented.**

CURRENT YEAR RECOMMENDATIONS

1. During our testing of cash disbursements, we noted that petty cash disbursements often do not have receipts attached to the petty cash slip in support of the disbursement. We recommend that receipts be obtained and attached to the petty cash slip to improve accountability over petty cash disbursements.
2. In reviewing reports filed by the Commission in compliance with various grants, we noted instances where the filing date on the report was different from the date of the cover letter used in transmitting the report. This can cause confusion as to whether or not the report was filed timely. We recommend the filing date on the report and the related cover letter be the same date.

These conditions were considered in determining the nature, timing and extent of the tests to be applied in our audit of the September 2005, financial statements, and this report does not affect our report on the financial statements dated November 3, 2005.

We appreciate the assistance and cooperation extended to us by the staff at Tri-County Regional Planning Commission, particularly that of Greg Hoffman, whose contributions greatly facilitated the completion of our audit.

This report is intended solely for the use of management and federal and state agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the Tri-County Regional Planning Commission, is a matter of public record.

Layton + Richardson PC
Certified Public Accountants

East Lansing, Michigan
November 3, 2005